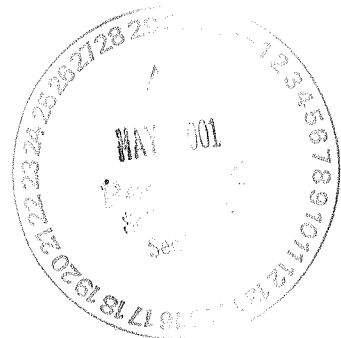


May 23, 2001

Mr. William Hocut
NC Division of Environment and Natural Resources (DENR)
Solid Waste Section
401 Oberlin Road
Raleigh, North Carolina 27605

RE: "Jeten Property"
Regulatory requirements
7836 NC Highway 150 East
Mooresville, North Carolina
GTSI-010300



Dear Mr. Hocut,

On behalf of the owners, Ed and Nadine Tarantino, Ground Technological Services Inc. (GTSI) has performed field observations and field density quality control services for the referenced site in accordance with the NCDENR 15A-13B.17. - "Conditioned Ash Restrictions".

The 7.91 acre proposed construction consists of a series of commercial office and warehouse structures surrounded by impervious driveway and parking areas. Controlled conditioned ash structural fill was installed within a deep on-site northeast trending drainage swale. The coal combustion by-product was provided from the nearby Marshall Steam Station located approximately ½ mile to the west.

Duke Power Company provided initial environmental services, with groundwater measurements and topographic observations indicated in a report dated September 27, 2000. The report revealed no on-site standing or running water within the lowest elevation (approximately 765 feet) along the northwestern boundary area. Measurements within three (3) borings revealed groundwater from 3.0 to 6.0" below the existing surface in two of the borings within the lower part of the site. We understand no fly ash was installed below the 770-foot contour, meeting the two-foot separation criteria from groundwater.

For erosion control purposes, a silt fence was erected to separate the work area from a down gradient drainage channel above Lake Norman. A temporary water detention pond was excavated prior to ash and earthwork procedures and subsequently removed.

P.O. Box 2246 ■ Huntersville, NC 28070 ■ Phone 704-987-8378 ■ Fax 704-987-8175

■ Geotechnical ■ Civil ■ Environmental ■ Structural ■ Mechanical Engineering
■ Construction Materials Testing ■ Wetlands ■ Geological & Drilling Services

May 23, 2001

Page 2

Following "stripping and grubbing" of surficial top soils and plant materials to firm bearing soils, GTSI performed a total of one hundred and fourteen (114) field density tests in up to 37 feet of structural ash fill. The materials were installed in 12" moisture-conditioned structural lifts, with an 18" earthen structural fill cap compacted to subgrade elevation. A total of approximately 102,000 tons of conditioned ash materials were installed.

Water trucks were utilized during the structural ash fill installation for dust control measures and to facilitate adequate compaction. Following earthwork, the disturbed areas were seeded with grass. All tests or final retests met or exceeded the project design criteria of 95% of the (maximum) Standard Proctor Moisture-Density Relationship, ASTM D-698. GTSI reports summarizing the compaction data were issued February 28 and April 30, 2001.

GTSI noted average slope of side slope areas appeared to comply with the maximum 3:1 slope guidelines, and a well-established growth of grass covered disturbed areas was observed. No ponded areas were noted following inclement weather. Implementation of setback guidelines included 25' from property lines and bedrock outcrops and 50' from jurisdictional Waters of the U.S.

One on-site, up-gradient water supply well was noted beyond the 100 foot mandated setback. Unless utilized for the proposed project, it is our understanding the well will be properly abandoned in accordance with DENR 2C regulations.

A second water supply well noted on the adjacent, up-gradient residential property to the west was beyond the 100-foot setback.

May 24, 2001

Page 3

If you should have any questions, please call us at your convenience.

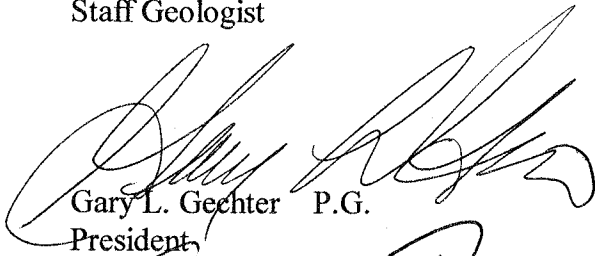
Sincerely,

Ground Technological Services, Inc.

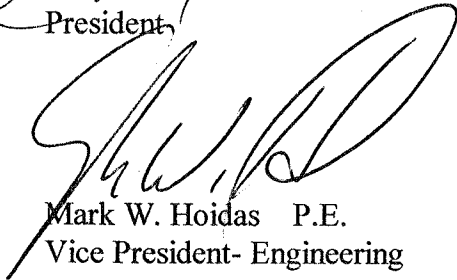


Geoff Underwood

Staff Geologist



Gary L. Gechter P.G.
President



Mark W. Hoidas P.E.

Vice President- Engineering

c.c. Dean Johnson

Ash Basics Company